



From: Association for a Better Long Island & Long Island Builders Institute
Date: April 2, 2020
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For Immediate Release

The Association for a Better Long Island (ABLI) and the Long Island Builders Institute (LIBI), leaders of the economic development community, are warning that the coming economic recession sparked by the COVID-19 pandemic has the means of being far deeper and more protracted should the recently passed “prevailing wage” language approved by the New York State Legislature, take effect in January 2022 and not properly define total construction project costs.

“At a time when we are entering the worst economic crisis facing New York in decades, the Long Island economic development community is deeply concerned with the adverse impact this prevailing wage legislation will have on our region and state. At a time when the development community needs to play a pivotal role in restarting the region’s economic engine, this legislation creates additional uncertainty among investors, potentially stymying our region's long term need of transit-oriented developments and affordable housing projects,” stated ABLI’s executive director Kyle Strober.

LIBI’s CEO, Mitchel Pally, warned, “It took eight years for New York to recover from the 2008 mortgage crisis and while the effects of this legislation will not start for nearly two years it will arrive at a time when the dark economic cloud of COVID 19 will still cast a large shadow over the region.”

The legislation significantly expands the definition of public works, requiring prevailing wage, the "Rolls Royce of labor wages", on economic development initiatives, like transit oriented development and affordable housing projects, where the overwhelming majority of funding is private.

Strober noted, “This legislation was conceived by organized labor, during prosperous times, to help fund their runaway pensions and benefit costs. The world has changed rapidly and the economic future of New York, and the nation, hangs in the balance. It is critical that we recapture the confidence of the development community, which will be asked to invest hundreds of millions of dollars into our region, before we consider initiating any language that increases construction costs by 30%.